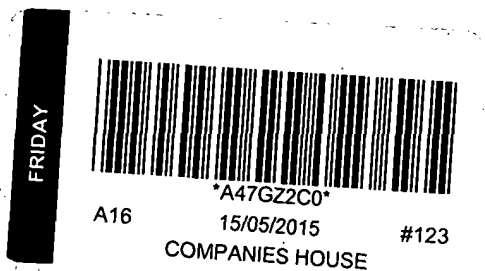


REGISTERED NUMBER: 03082093 (England and Wales)

**ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2014**  
**FOR**  
**ADVANCED ENGINEERING SOLUTIONS LIMITED**



**ADVANCED ENGINEERING SOLUTIONS LIMITED**

**CONTENTS OF THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

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**ADVANCED ENGINEERING SOLUTIONS LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

**DIRECTORS:**

M. Wayman  
D. Boyes  
J. S. Carmichael  
R. J. Treece

**SECRETARY:**

D. Boyes

**REGISTERED OFFICE:**

South Nelson Road  
South Nelson Industrial Estate  
Cramlington  
Northumberland  
NE23 1WF

**REGISTERED NUMBER:**

03082093 (England and Wales)

**SENIOR STATUTORY AUDITOR:** Jennifer Hall BA FCA

**AUDITORS:**

Brennan Neil & Leonard  
Statutory Auditors  
Chartered Accountants  
32 Brenkley Way  
Seaton Burn  
Newcastle upon Tyne  
Tyne and Wear  
NE13 6DS

**REPORT OF THE INDEPENDENT AUDITORS TO  
ADVANCED ENGINEERING SOLUTIONS LIMITED  
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

We have examined the abbreviated accounts set out on pages three to seven, together with the full financial statements of Advanced Engineering Solutions Limited for the year ended 30 September 2014 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with Section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

**Basis of opinion**

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.



Jennifer Hall BA FCA (Senior Statutory Auditor)  
for and on behalf of Brennan Neil & Leonard  
Statutory Auditors  
Chartered Accountants  
32 Brenkley Way  
Seaton Burn  
Newcastle upon Tyne  
Tyne and Wear  
NE13 6DS

16 April 2015

ABBREVIATED BALANCE SHEET  
30 SEPTEMBER 2014

	Notes	2014		2013	
		£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	2		530,008		478,855
Tangible assets	3		596,984		579,835
Investments	4		24,019		24,020
			<u>1,151,011</u>		<u>1,082,710</u>
<b>CURRENT ASSETS</b>					
Stocks		30,362		31,320	
Debtors		441,298		506,416	
Cash at bank and in hand		181,733		420,658	
		<u>653,393</u>		<u>958,394</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	5	214,746		278,879	
			<u>438,647</u>		<u>679,515</u>
<b>NET CURRENT ASSETS</b>					
			<u>1,589,658</u>		<u>1,762,225</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
<b>CREDITORS</b>					
Amounts falling due after more than one year	5		(62,078)		(103,529)
			<u>(47,834)</u>		<u>(34,342)</u>
<b>PROVISIONS FOR LIABILITIES</b>					
			<u>1,479,746</u>		<u>1,624,354</u>
<b>NET ASSETS</b>					
<b>CAPITAL AND RESERVES</b>					
Called up share capital	6		70,052		70,052
Share premium			3,540		3,540
Capital redemption reserve			27,412		27,412
Profit and loss account			1,378,742		1,523,350
			<u>1,479,746</u>		<u>1,624,354</u>
<b>SHAREHOLDERS' FUNDS</b>					
			<u>1,479,746</u>		<u>1,624,354</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 16 April 2015 and were signed on its behalf by:

*M Wayman*

M. Wayman - Director

## ADVANCED ENGINEERING SOLUTIONS LIMITED

### NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

#### 1. ACCOUNTING POLICIES

##### **Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

##### **Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax.

Where there are transactions which are gradually performed over time, revenue is recognised as the contract activity progresses to reflect the partial performance of contractual obligations. The amount of revenue included within turnover reflects the accrual of the right to consideration as contract activity progresses by reference to the value of the work performed.

##### **Patents**

Patents are capitalised at cost in the year of acquisition. Amortisation is provided to write off the cost of patents over the period for which rights are granted under the patent.

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- 2% on cost
Plant & machinery	- 20% - 33.33% on cost and Straight line over 8 years
Fixtures and fittings	- 15% on cost
Computer equipment	- 33.33% on cost

##### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

##### **Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**ADVANCED ENGINEERING SOLUTIONS LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

**1. ACCOUNTING POLICIES - continued**

**Research and development**

Expenditure on pure research is written off in the year in which it is incurred. The charge to profit and loss account consists of total research and development expenditure incurred in the year less recoverable costs on contracts and shared engineering programmes.

Development expenditure related to specific projects from which a future commercial benefit can be expected has been deferred and will be released over the expected period of future related revenue.

Development expenditure incurred prior to the production of capital plant and equipment manufactured in-house has been deferred and will be released over the expected life of the assets concerned.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Hire purchase and leasing**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Equipment leased to customers under operating leases is capitalised as Tangible Fixed Assets in the Balance Sheet. Lease income is accounted for in the period to which it relates.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

**Software development**

Expenditure incurred on the development of software required for the operation of plant and equipment manufactured in-house has been capitalised and will be released over the expected life of the assets to which it relates.

**Government grants**

Grants of a capital nature are credited to a reserve and released to profit over the useful life of the asset concerned. Revenue grants are released to profit when received.

**ADVANCED ENGINEERING SOLUTIONS LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

**2. INTANGIBLE FIXED ASSETS**

	Total £
<b>COST</b>	
At 1 October 2013	1,137,504
Additions	154,999
Disposals	(12,505)
	1,279,998
At 30 September 2014	1,279,998
<b>AMORTISATION</b>	
At 1 October 2013	658,649
Amortisation for year	91,341
	749,990
At 30 September 2014	749,990
<b>NET BOOK VALUE</b>	
At 30 September 2014	530,008
At 30 September 2013	478,855

**3. TANGIBLE FIXED ASSETS**

	Total £
<b>COST</b>	
At 1 October 2013	1,413,857
Additions	173,251
Disposals	(147,270)
Reclassification/transfer	(21,700)
	1,418,138
At 30 September 2014	1,418,138
<b>DEPRECIATION</b>	
At 1 October 2013	834,022
Charge for year	79,433
Eliminated on disposal	(92,301)
	821,154
At 30 September 2014	821,154
<b>NET BOOK VALUE</b>	
At 30 September 2014	596,984
At 30 September 2013	579,835



ADVANCED ENGINEERING SOLUTIONS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 30 SEPTEMBER 2014

4. **FIXED ASSET INVESTMENTS**

	Investments other than loans £
<b>COST</b>	
At 1 October 2013	20
Exchange differences	(1)
	<hr/>
At 30 September 2014	19
	<hr/>
<b>NET BOOK VALUE</b>	
At 30 September 2014	19
	<hr/> <hr/>
At 30 September 2013	20
	<hr/> <hr/>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

**Joint venture**

**Asset Integrity Australasia PTY Ltd**

Country of incorporation: Australia

Nature of business: Technology based consultancy

	%		
Class of shares:	holding		
Ordinary	34.00	30.6.14	30.6.13
		£	£
Aggregate capital and reserves		(106,029)	(37,828)
(Loss)/profit for the year		(68,092)	9,588
		<hr/> <hr/>	<hr/> <hr/>
			Loans
			£
At 1 October 2013 and 30 September 2014			24,000
			<hr/> <hr/>

5. **CREDITORS**

Creditors include an amount of £83,454 (2013 - £116,919) for which security has been given.

6. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2014	2013
			£	£
70,052	Ordinary	£1	70,052	70,052
			<hr/> <hr/>	<hr/> <hr/>